

**IN THE UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE**

In re:

FTX TRADING LTD., *et al.*,¹

Debtors.

Chapter 11

Case No. 22-11068 (JTD)

(Jointly Administered)

Objection Deadline: April 6, 2023 at 4:00 p.m. (ET)²

Hearing Date: June 28, 2023 at 1:00 p.m. (ET)

**SUPPLEMENT TO THE FIRST INTERIM
FEE APPLICATION OF PAUL HASTINGS LLP**

Paul Hastings LLP (“Paul Hastings”), lead counsel to the Official Committee of Unsecured Creditors (the “Committee”) appointed in the chapter 11 cases (the “Chapter 11 Cases”) of the above-captioned debtors and debtors-in-possession (the “Debtors”), hereby supplements (this “Supplement”) the *First Interim Fee Applications of the Professionals of the Official Committee of Unsecured Creditors* (the “Application”), filed contemporaneously herewith, and requests compensation of fees and reimbursement of costs and expenses incurred for professional services rendered by Paul Hastings during the period from December 20, 2022 through and including January 31, 2023 (the “Application Period”) for or on behalf of the Committee in connection with the Chapter 11 Cases.

1. Attached hereto as **Exhibit A** through **Exhibit E** are certain schedules requested by *Appendix B of the United States Trustee's Guidelines for Reviewing Applications for*

The last four digits of FTX Trading Ltd.'s tax identification number are 3288. Due to the large number of debtor entities in these Chapter 11 Cases, a complete list of the Debtors and the last four digits of their federal tax identification numbers is not provided herein. A complete list of such information may be obtained on the website of the Debtors' claims and noticing agent at <https://cases.ra.kroll.com/FTX>.

² The objection deadline set forth herein is for all parties other than the Fee Examiner and the U.S. Trustee (each as defined in the Fee Examiner Order), whose objection deadline shall be governed by that certain *Order (I) Appointing Fee Examiner and (II) Establishing Procedures for Consideration of Requested Fee Compensation and Reimbursement of Expenses* [Docket No. 834] (the “Fee Examiner Order”).

Compensation and Reimbursement of Expenses Filed Under 11 U.S.C. § 330 by Attorneys in Larger Chapter 11 Cases (the “U.S. Trustee Guidelines”).³

2. Paul Hastings responds to the questions set forth in Paragraph C.5. of the U.S. Trustee Guidelines as follows:

Question: Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees, or terms for services pertaining to this engagement that were provided during the Application Period?

Response: No.

Question: If the fees sought in this application as compared to the fees budgeted for the Application Period are higher by 10% or more, did you discuss the reasons for the variation with the client.

Response: Not applicable.

Question: Have any of the professionals included in this application varied their hourly rate based on the geographic location of the bankruptcy case?

Response: No.

Question: Does the application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices? (This is limited to work involved in preparing and editing billing records that would not be compensable outside of bankruptcy and does not include reasonable fees for preparing a fee application.) If so, please quantify by hours and fees.

Response: No.

Question: Does this application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees.

Response: No.

Question: If the application includes any rate increases since retention: (i) Did your client review and approve those rate increases in advance? (ii) Did your client agree when retaining the law firm to accept all future rates increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation consistent with ABA Formal Ethics Opinion 11-458?

Response: Not applicable.

³ The Committee and Paul Hastings reserve all rights as to the relevance and substantive legal effect of the U.S. Trustee Guidelines with respect to any application for compensation in the Chapter 11 Cases.

3. To the extent that time or disbursement charges for services rendered or disbursements incurred on behalf of the Committee relate to the Application Period, but were not processed before the preparation of, or included in, this Application, or Paul Hastings has for any other reason not sought compensation or reimbursement with respect to such services or expenses, Paul Hastings reserves the right to request compensation for such services, and reimbursement of such expenses, in a supplemental or future application. Also, Paul Hastings does not waive, and expressly reserves, its right to respond to any objections regarding this Application and the amounts sought for Paul Hastings' work in the Chapter 11 Cases.

Dated: March 17, 2023
New York, New York

PAUL HASTINGS LLP

By: /s/ Erez E. Gilad
Kristopher M. Hansen*
Luc A. Despins*
Erez E. Gilad*
Gabriel E. Sasson*
Samantha Martin*
200 Park Avenue
New York, NY 10166
Telephone: (212) 318-6000
Facsimile: (212) 319-4090
Email: krishansen@paulhastings.com
lucdespins@paulhastings.com
erezgilad@paulhastings.com
gabesasson@paulhastings.com
samanthamartin@paulhastings.com

** Admitted pro hac vice*

*Counsel to the Official Committee
of Unsecured Creditors*

EXHIBIT A**CUSTOMARY AND COMPARABLE COMPENSATION DISCLOSURES**

The blended hourly rate for Paul Hastings' timekeepers in its New York office who billed to non-bankruptcy matters (collectively, the "Non-Bankruptcy Matters")¹ during the twelve-month period beginning on February 1, 2022 and ending on January 31, 2023 was, in the aggregate, approximately \$1,074 per hour. The blended hourly rate for Paul Hastings' timekeepers who billed to the Chapter 11 Cases during the Application Period was approximately \$1,327 per hour. A detailed comparison of these rates follows:

Category of Timekeeper	Blended Hourly Rate	
	Non-Bankruptcy Matters Blended Hourly Rate	Committee Blended Hourly Rate ²
Partner	\$1,469	\$1,689
Counsel	\$1,270	\$1,452
Associate	\$877	\$981
Paraprofessional	\$447	\$515
All Timekeepers Aggregated	\$1,074	\$1,327

¹ It is the nature of Paul Hastings' practice that certain non-bankruptcy engagements require the advice and counsel of professionals and paraprofessionals who work primarily within Paul Hastings' restructuring group. Accordingly, Non-Bankruptcy Matters consist of matters for which Paul Hastings' timekeepers represented a client in matters other than court-approved engagements as counsel for the debtor, the chapter 11 trustee, or an official committee under the Bankruptcy Code. As such, the Non-Bankruptcy Matters include, in part, time billed by Paul Hastings' timekeepers who work primarily within Paul Hastings' restructuring group.

² Due to the complexity and nature of these cases, Kris Hansen (partner), Erez E. Gilad (partner), Ken Pasquale (partner), Frank A. Merola (partner), Gabe Sasson (partner), Samantha Martin (counsel), and Isaac Sasson (associate) provided a substantial portion of Paul Hastings' services to the Committee during the Application Period. Because their rates are at the higher end of the range of rates billed by Paul Hastings' partners, counsel, and associates, respectively, and in light of the fact that their time and expertise were required for this engagement, the blended rates for this case moved to the higher end of the range of rates billed by Paul Hastings.

EXHIBIT B**SUMMARY OF TIMEKEEPERS FOR APPLICATION PERIOD**

Name, Position	Year of First Admission, Department	Fees Billed in this Application Period	Hours Billed in this Application Period	Hourly Rate Billed		Number of Rate Increases Since Case Inception
				In this Application	In First Interim Application ¹	
PARTNER						
Arai, Toshiyuki	1985, Mergers & Acquisitions	\$5,643.00	3.30	\$1,710.00	\$1,710.00	N/A
Daniel, Chris	1999, Fintech and Payments Group	\$131,872.00	83.20	\$1,585.00	\$1,585.00	N/A
Despins, Luc A.	1986, Financial Restructuring	\$117,738.00	63.30	\$1,860.00	\$1,860.00	N/A
Gilad, Erez	2001, Financial Restructuring	\$503,497.00	290.20	\$1,735.00	\$1,735.00	N/A
Gilad, Erez (Travel)	2001, Financial Restructuring	\$4,337.50	5.00	\$867.50 (Bill at ½ rate)	\$867.50 (Bill at ½ rate)	N/A
Hansen, Kris	1996, Financial Restructuring	\$613,975.50	317.30	\$1,935.00	\$1,935.00	N/A
Hansen, Kris (Travel)	1996, Financial Restructuring	\$8,223.75	8.50	\$967.50	\$967.50	N/A
Kelly, Brian	2001, Financial Restructuring	\$144,054.00	95.40	\$1,510.00	\$1,510.00	N/A
Merola, Frank	1988, Financial Restructuring	\$361,921.00	208.60	\$1,735.00	\$1,735.00	N/A
Murphy, Matt M.	1999, Financial Restructuring	\$127,366.50	77.90	\$1,635.00	\$1,635.00	N/A
Pasquale, Ken	1990, Financial Restructuring	\$628,243.50	362.10	\$1,735.00	\$1,735.00	N/A
Rimon, Laurel Loomis	1993, Investigation & White Collar Defense	\$22,278.00	15.80	\$1,410.00	\$1,410.00	N/A
Sasson, Gabe	2010, Financial Restructuring	\$477,613.00	316.30	\$1,510.00	\$1,510.00	N/A

Name, Position	Year of First Admission, Department	Fees Billed in this Application Period	Hours Billed in this Application Period	Hourly Rate Billed		Number of Rate Increases Since Case Inception
				In this Application	In First Interim Application ¹	
Sasson, Gabe (Travel)	2010, Financial Restructuring	\$2,491.50	3.30	\$755.00 (Bill at ½ rate)	\$755.00 (Bill at ½ rate)	N/A
Sibbitt, Eric C.	1997, Fintech and Payments Group	\$102,648.00	72.80	\$1,410.00	\$1,410.00	N/A
Srivastava, Arun	1991, Fintech and Payments Group	\$16,896.00	9.60	\$1,760.00	\$1,760.00	N/A
Tsao, Leo	1999, Investigation & White Collar Defense	\$27,918.00	19.80	\$1,410.00	\$1,410.00	N/A
Partner Total		\$3,296,716.25	1,952.40			
OF COUNSEL						
Cabral, Jason J.	2008, Fintech and Payments Group	\$8,758.00	5.80	\$1,510.00	\$1,510.00	N/A
Levine, Eric M.	2007, Mergers & Acquisitions	\$43,615.00	28.60	\$1,525.00	\$1,525.00	N/A
Martin, Samantha	2008, Financial Restructuring	\$434,362.50	292.50	\$1,485.00	\$1,485.00	N/A
Silber, Gary	2011, Tax	\$3,874.00	2.60	\$1,490.00	\$1,490.00	N/A
Stevenson, Braddock J.	2008, Investigation & White Collar Defense	\$2,670.00	2.00	\$1,335.00	\$1,335.00	N/A
Traxler, Katherine A.	1990, Financial Restructuring	\$20,424.00	22.20	\$920.00	\$920.00	N/A
Of Counsel Total		\$513,703.50	353.70			
ASSOCIATE						
Ahluwalia, Sainaya K.	Financial Restructuring	\$3,939.00	7.80	\$505.00	\$505.00	N/A
Anderson, Chris	2003, Fintech and Payments Group	\$4,480.00	4.00	\$1,120.00	\$1,120.00	N/A
Ashuraey, Sam	2017, Financial Restructuring	\$196,852.00	169.70	\$1,160.00	\$1,160.00	N/A
Burns, Elena Gold	2019, Private Equity	\$21,018.00	22.60	\$930.00	\$930.00	N/A

Name, Position	Year of First Admission, Department	Fees Billed in this Application Period	Hours Billed in this Application Period	Hourly Rate Billed		Number of Rate Increases Since Case Inception
				In this Application	In First Interim Application ¹	
Catalano, Kristin	2021, Financial Restructuring	\$35,805.00	46.20	\$775.00	\$775.00	N/A
Daly, Crispin	Financial Restructuring	\$35,424.00	28.80	\$1,230.00	\$1,230.00	N/A
Diaz, Caroline	2021, Financial Restructuring	\$139,779.00	150.30	\$930.00	\$930.00	N/A
Fedler, Kayla	2022, Fintech and Payments Group	\$14,873.50	19.70	\$755.00	\$755.00	N/A
Fisher, Michael J.	Complex Litigation & Arbitration	\$63,333.00	68.10	\$930.00	\$930.00	N/A
Greenbacker, Lauren-Kelly D.	2014, Fintech and Payments Group	\$86,240.00	70.40	\$1,225.00	\$1,225.00	N/A
Griffin, Meagan E.	2013, Fintech and Payments Group	\$95,325.00	77.50	\$1,230.00	\$1,230.00	N/A
Iaffaldano, Jack	2020, Financial Restructuring	\$115,971.00	124.70	\$930.00	\$930.00	N/A
Khoury, Gabriel	2021, Fintech and Payments Group	\$7,362.50	9.50	\$775.00	\$775.00	N/A
Koch, Leonie	2023 Financial Restructuring	\$178,557.50	236.50	\$755.00	\$755.00	N/A
Merchant, Heena A.	2012, Fintech and Payments Group	\$9,840.00	8.00	\$1,230.00	\$1,230.00	N/A
Miliotes, Lanie	2023, Financial Restructuring	\$40,770.00	54.00	\$755.00	\$755.00	N/A
Nizamian, Andrew A.	2017, Fintech and Payments Group	\$28,672.00	25.60	\$1,120.00	\$1,120.00	N/A
Quattrocchi, Sarah A.	2020, Fintech and Payments Group	\$40,641.00	43.70	\$930.00	\$930.00	N/A
Rubin, Lisa E.		\$3,136.00	2.80	\$1,120.00	\$1,120.00	N/A
Sasson, Isaac	2016, Financial Restructuring	\$310,920.00	259.10	\$1,200.00	\$1,200.00	N/A

Name, Position	Year of First Admission, Department	Fees Billed in this Application Period	Hours Billed in this Application Period	Hourly Rate Billed		Number of Rate Increases Since Case Inception
				In this Application	In First Interim Application ¹	
Seelig, Ben	2020, Investigation & White Collar Defense	\$58,404.00	62.80	\$930.00	\$930.00	N/A
Thrasher, Karin M.	2021, Fintech and Payments Group	\$42,392.50	54.70	\$775.00	\$775.00	N/A
Xu, Christine	2022, Financial Restructuring	\$61,767.50	79.70	\$775.00	\$775.00	N/A
Associate Total		\$1,595,502.50	1,626.20			
PARAPROFESSIONAL						
Laskowski, Mat	Financial Restructuring	\$67,774.00	131.60	\$515.00	\$515.00	N/A
Magzamen, Michael	Financial Restructuring	\$33,372.00	64.80	\$515.00	\$515.00	N/A
Mohamed, David	Financial Restructuring	\$16,840.50	32.70	\$515.00	\$515.00	N/A
Paraprofessional Total		\$117,986.50	229.10			
Total:		\$5,523,908.75	4,161.40			
Blended Hourly Rate:				\$1,327		

EXHIBIT C

BUDGET AND STAFFING PLAN FOR APPLICATION PERIOD

EXHIBIT C-1**BUDGET****Period Covered:** December 2022

U.S. Trustee Task Code and Project Category	Estimated Hours	Estimated Fees	Hours Billed	Fees Sought
B110 Case Administration	200	\$200,000.00	149.60	\$175,690.96
B112 General Creditor Inquiries	20	\$25,000.00	0	\$0.00
B113 Case Analysis/ Pleadings Review	300	\$375,000.00	252.00	\$340,683.50
B115 Meetings and Communications with Debtors	50	\$62,500.00	27.40	\$45,794.50
B120 Asset Analysis and Recovery	100	\$125,000.00	66.70	93,612.00
B125 Intellectual Property	10	\$12,500.00	0	\$0.00
B130 Asset Disposition	50	\$62,500.00	37.50	\$55,982.00
B140 Relief from Stay/Adequate Protection Proceedings	10	\$12,500.00	2.00	\$2,400.00
B150 Meetings of and Communications with Creditors	250	\$312,500.00	187.40	\$272,916.50
B155 Court Hearings	20	\$25,000.00	5.10	\$5,252.50
B160 Retention/Employment Matters (Paul Hastings)	50	\$62,500.00	25.60	\$27,671.50
B165 Fee/Employment Applications for Other Professionals	75	\$93,750.00	56.40	\$76,838.53
B175 Bahamian PropCo Analysis	75	\$93,750.00	59.20	\$85,304.50
B185 Assumption/Rejection of Leases and Contracts	10	\$12,500.00	1.20	\$1,951.50
B190 Other Contested Matters (excl. assumption/rejections motions)	20	\$25,000.00	0	\$0.00
B191 General Litigation	100	\$125,000.00	71.50	\$96,340.50
B195 Non-Working Travel	20	\$12,500.00	0	\$0.00
B210 Business Operations	100	\$125,000.00	46.20	\$71,791.50
B215 Regulatory Matters	50	\$62,500.00	18.90	\$26,279.01
B240 Tax Issues	10	\$12,500.00	2.30	\$3,427.00
B261 Investigations	50	\$62,500.00	0	\$0.00
B310 Claims Administration and Objections	10	\$12,500.00	0	\$0.00
Total	1,580	\$1,962,500.00	1,009.00	\$1,381,936.00

EXHIBIT C-1**BUDGET****Period Covered:** January 2023

U.S. Trustee Task Code and Project Category	Estimated Hours	Estimated Fees	Hours Billed	Fees Sought
B110 Case Administration	100	\$100,000.00	69.70	\$42,271.00
B112 General Creditor Inquiries	20	\$25,000.00	10.20	\$15,814.50
B113 Pleadings Review	300	\$375,000.00	173.40	\$235,595.50
B115 Meetings and Communications with Debtors	300	\$375,000.00	190.30	\$289,423.50
B120 Asset Analysis and Recovery	700	\$875,000.00	620.60	\$771,009.50
B125 Intellectual Property	20	\$25,000.00	2.50	\$3,417.00
B130 Asset Disposition	400	\$500,000.00	274.40	\$414,532.50
B140 Relief from Stay/Adequate Protection Proceedings	20	\$25,000.00	0	\$0.00
B150 Meetings of and Communications with Creditors	400	\$500,000.00	309.70	\$459,465.50
B155 Court Hearings	200	\$250,000.00	135.70	\$182,279.00
B160 Retention/Employment Matters (Paul Hastings)	300	\$375,000.00	231.10	\$298,135.50
B165 Fee/Employment Applications for Other Professionals	300	\$375,000.00	178.90	\$267,763.50
B175 Bahamian PropCo Analysis	75	\$93,750.00	43.10	\$59,621.50
B185 Assumption/Rejection of Leases and Contracts	10	\$12,500.00	0	\$0.00
B190 Other Contested Matters (excl. assumption/rejections motions)	200	\$250,000.00	192.50	\$216,108.50
B191 General Litigation	200	\$250,000.00	109.50	\$129,694.00
B195 Non-Working Travel	50	\$31,250.00	16.80	\$15,052.75
B210 Business Operations	100	\$125,000.00	45.70	\$65,647.50
B215 Regulatory Matters	300	\$375,000.00	257.00	\$309,696.00
B240 Tax Issues	10	\$12,500.00	0	\$0.00
B261 Investigations	300	\$375,000.00	284.10	\$352,903.50
B310 Claims Administration and Objections	50	\$31,250.00	7.20	\$13,542.00
Total	4,355	\$5,356,250.00	3,152.40	\$4,141,972.75

EXHIBIT C-2
STAFFING PLAN

Period Covered: December 2022

Category of Timekeeper (using categories maintained by the firm)	Number of Timekeepers Expected to Work on Matter During Budget Period	Anticipated Average Hourly Rate for Budget Period	Actual Number of Timekeepers Who Worked on Matter During Budget Period	Average Hourly Rate for Budget Period
Partner	15	\$1,650	12	\$1,644
Of Counsel	5	\$1,400	3	\$1,370
Associate	15	\$1,100	10	\$1,039
Paraprofessional	3	\$515	3	\$515

Period Covered: January 2023

Category of Timekeeper (using categories maintained by the firm)	Number of Timekeepers Expected to Work on Matter During Budget Period	Anticipated Average Hourly Rate for Budget Period	Actual Number of Timekeepers Who Worked on Matter During Budget Period	Average Hourly Rate for Budget Period
Partner	15	\$1,650	14	\$1,478
Of Counsel	8	\$1,400	6	\$1,378
Associate	25	\$1,100	23	\$989
Paraprofessional	3	\$515	3	\$515

EXHIBIT D

SUMMARY OF COMPENSATION AND EXPENSE REIMBURSEMENT
FOR APPLICATION PERIOD

EXHIBIT D-1

U.S. Trustee Task Code and Project Category	Hours Billed	Fees Sought
B110 Case Administration	219.30	\$217,961.96
B112 General Creditor Inquiries	10.20	\$15,814.50
B113 Pleadings Review	425.40	\$576,279.00
B115 Meetings and Communications with Debtors	217.70	\$335,218.00
B120 Asset Analysis and Recovery	687.30	\$864,621.50
B125 Intellectual Property	2.50	\$3,417.00
B130 Asset Disposition	311.90	\$470,514.50
B140 Relief from Stay/Adequate Protection Proceedings	2.00	\$2,400.00
B150 Meetings of and Communications with Creditors	497.10	\$732,382.00
B155 Court Hearings	140.80	\$187,531.50
B160 Retention/Employment Matters (Paul Hastings)	256.70	\$325,807.00
B165 Fee/Employment Applications for Other Professionals	235.30	\$344,602.03
B175 Bahamian PropCo Analysis	102.30	\$144,926.00
B185 Assumption/Rejection of Leases and Contracts	1.20	\$1,951.50
B190 Other Contested Matters (excl. assumption/rejections motions)	192.50	\$216,108.50
B191 General Litigation	181.00	\$226,034.50
B195 Non-Working Travel	16.80	\$15,052.75
B210 Business Operations	91.90	\$137,439.00
B215 Regulatory Matters	275.90	\$335,975.01
B240 Tax Issues	2.30	\$3,427.00
B261 Investigations	284.10	\$352,903.50
B310 Claims Administration and Objections	7.20	\$13,542.00
	4,161.40	\$5,523,908.75

EXHIBIT D-2

<u>Category</u>	<u>Amount</u>
Courier Service	\$79.22
Computer Search	\$13,209.82
Court Reporting Services	\$704.40
In-house Black and White Reproduction Charges (2,959 copies at \$0.08 per page)	\$236.72
In-house Color Reproduction Charges (11,266 copies at \$0.50 per page)	\$5,633.00
Lodging	\$1,050.00
Meals	\$20.00
Outside Professional Services	\$14,818.60
Taxi/Ground Transportation	\$1,633.00
Travel Expense	\$36.25
TOTAL:	\$37,421.01

EXHIBIT E**SUMMARY OF INTERIM FEE APPLICATION SUPPLEMENT**

Name of Applicant	Paul Hastings LLP
Name of Client	Official Committee of Unsecured Creditors
Time period covered by this Application	December 20, 2022 through January 31, 2023
Total compensation sought during the Application Period	\$5,523,908.75
Total expenses sought during the Application Period	\$37,421.01
Petition Date	November 11, 2022 and November 14, 2022
Retention Date	December 20, 2022
Date of order approving employment	February 7, 2023 [Docket No. 635]
Total compensation approved by interim order to date	\$0.00
Total expenses approved by interim order to date	\$0.00
Total allowed compensation paid to date pursuant to interim order	\$0.00
Total allowed expenses paid to date pursuant to interim order	\$0.00
Blended rate in the Application Period for all attorneys	\$1,375
Blended rate in the Application Period for all timekeepers	\$1,327
Compensation sought for the Application Period already paid pursuant to a monthly compensation order but not yet allowed	\$0.00
Expenses sought for the Application Period already paid pursuant to a monthly compensation order but not yet allowed	\$0.00
Number of professionals included for the Application Period	43
If applicable, number of professionals for the Application Period not included in staffing plan approved by client	N/A
If applicable, difference between fees budgeted and compensation sought during the Application Period	Budgeted Amount: \$7,318,750.00 Actual Amount: \$5,523,908.75
Number of professionals billing fewer than 15 hours to the case during the Application Period	10
Are any rates higher than those approved or disclosed at retention?	No